From: <bill.murphy@phoenix.gov>

To: ACC.UTIL(EAA)

Date: Mon, Apr 14, 2003 11:13 AM

Subject: Issue list from DEAA

The Distributed Generation Assoc of Arizona is pleased to submit a preliminary list of issues to promote competition.

We believe that there must be competition (choice) on both sides of the electric meter. This should include merchant energy and Distributed Generation (DG) on the customer side of the meter.

---ISSUE on the utility side of the meter: Maintain the AISA to give choice a chance.

---ISSUE on the customer side of the meter: Create DG/Utility interconnection's that are cost based. Introduce DG rate tariffs that are cost based.

Thank you for your efforts in trying to provide customers choices.

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